

West Linn Police Station Bonds Sold at Historic Low Rate

Press release date: 2012-01-13

Lower interest rates will mean lower payments for residents and will save approximately \$2 million over the life of the bond

WEST LINN – On January 12, 2012, the City of West Linn completed the sale of \$8.5 million of General Obligation Bonds to finance the voter approved acquisition, construction and furnishing of a new police station to be located at 8th Avenue and 13th Street. The police station bond measure authorizing the sale of these bonds was approved by West Linn voters in November of 2011. At that time, the estimated cost to the typical home in West Linn was \$46 per year, which was based on an interest rate of 3.93% for borrowing. However, due to the high number of bidders and a low interest rate market, the actual cost of borrowing will be 2.25%, which will result in a significant savings to West Linn taxpayers. Richard Seals, Chief Financial Officer for the City, believes that this is the best interest rate that the City has achieved for a bond sale.

The favorable interest rate results in an approximate \$2 million reduction in interest payments on the debt over the life of the loan. The attractive interest rate can be attributed to the City's Aa2 and AA credit ratings from Moody and Standard & Poor's, respectively.

"This is great news for our taxpayers and is a testament to the City's sound financial policies. At the end of the day, it's our taxpayers that reap the rewards of the City's sound fiscal management and transparent financial practices", said a delighted John Kovash, Mayor.

An official statement and specific details about this bond sale and its tax implications can be found on the City's Finance website at <http://westlinnoregon.gov/finance>. For more information, please contact Richard Seals, Chief Financial Officer, at 656-4261.

Source URL (retrieved on 2012-11-15 12:45):

<http://westlinnoregon.gov/%2526lt%3Bfront%2526gt%3B/west-linn-police-station-bonds-sold-historic-low-rate>